

## EXPLORATION TECHNICAL MEMORANDUM

### Utah Coal Regulatory Program

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March 31, 2009

TO: Internal File

THRU: Stephen J. Demczak, Reclamation Specialist, Team Lead SD m SOS

RE: Notice of Intent to Conduct Minor Coal Exploration, Canyon Fuel Company, Dugout Canyon Mine, C/007/039, Task ID #3255, Outgoing File

#### **SUMMARY:**

Ark Land Company has submitted a Notice of Intent to conduct Minor Coal Exploration at Dugout Canyon mine. The applicant plans to drill one exploration drill hole in 2009. The drill core will be obtained to determine coal seam thickness and associated strata. The applicant will use rubber tire drilling equipment for the minor exploration project. The coal recovery will be less than 250 tons of coal.

The surface landowner is the Canyon Fuel Company and the coal ownership is School and Institutional Trust Lands Administration (lease #ML-42648). The Division will need concurrence from School and Institutional Trust Lands Administration with this proposed notice of intent to conduct minor coal exploration on coal lease ML- 42648.

#### **EXPLORATION TECHNICAL ANALYSIS:**

### **COAL EXPLORATION**

Regulatory Reference: R645-200.

### **SCOPE AND RESPONSIBILITIES**

Regulatory Reference: 30 CFR 772.1; 30 CFR 772.10; 30 CFR 772.11; R645-100-400; R645-200-100; R645-200-200; R645-201-100.

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**Analysis:**

Ark Land Company has proposed to conduct minor exploration by drilling one drill hole on Lease ML-42648 in the year 2009.

The Applicant has committed to comply with the requirements of R645-200 through R645-203.

This minor coal exploration will be conducted on Utah State Coal Lease ML-42648 and the Canyon Fuel Company is the surface landowner; therefore, 43 CFR Part 3480-3487 does not apply.

**Findings:**

The Applicant has met the minimum requirements of this section.

**REQUIREMENTS FOR NOTICE OF INTENTION TO CONDUCT MINOR COAL EXPLORATION**

Regulatory Reference: 30 CFR 772.10; 30 CFR 772.11; R645-100-412; R645-201-200.

**Analysis:**

Coal Rule R645-201-221 requires the applicant to give name, address, and telephone number of the applicant's representatives, who will be present at and responsible for conducting the exploration operations. This information has been submitted in the Notice of Intent, Page 3.

R645-100-400, R645-200-100, R645-200-200, and R645-201-100; Ark Land Company has given a Notice of Intention to Conduct Minor Coal Exploration with a narrative and maps describing the exploration area and indicating where the exploration will occur. This information is on Page 4 and 6 of the Letter of Intent.

The Applicant will use rubber tire equipment on existing roads to gain access to the drill site.

The minor exploration project is scheduled to start on July 2009 and be completed by October 31, 2009.

**Findings:**

The Applicant has met the minimum requirements of this section.

## COMPLIANCE DUTIES

Regulatory Reference: 30 CFR 772.13; R645-202.

The Applicant stated to have a copy of the Notice of Intent to Conduct Minor Coal Exploration for review by an authorized representative of the Division upon request.

### Findings:

The Applicant has met the minimum requirements of this section in the R645 Coal Rules.

## OPERATIONAL STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-100.

### Analysis:

#### Roads

The Applicant will access the site by using County roads in Clark Valley or an alternative route using County and Dugout mine road. No new road construction will be necessary. There is a possibility of grading and minor repair of the road.

### Findings:

The applicant has met the minimum requirements of this section.

## RECLAMATION STANDARDS

Regulatory Reference: 30 CFR 772.13; R645-202-200.

### Analysis:

#### Approximate original contour

The Applicant has stated the drill pad will be reclaimed to approximate original contour.

#### Facilities and Equipment

The applicant has stated that water lines may remain after exploration of DUG-09 is completed for possibility of future drilling of exploration or degasification holes see Page 6 in the Letter of Intent.

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It is my determination that all facilities, equipment and supplies must be removed after DUG-09 is completed. This is to ensure complete reclamation and met the R645 Coal Rules. By giving permission to leave the water lines in place is open-ended with no end date given by the Applicant.

**Findings:**

The applicant has not met the minimum requirement in this section.

**R645-202-244**, The applicant must remove all materials/waterlines once exploration is finished.

## **PUBLIC AVAILABILITY OF INFORMATION**

Regulatory Reference: 30 CFR 772.15;R645-203.

**Analysis:**

The Applicant has stated to keep coal seam thickness and coal quality kept confidential.

**Findings:**

The applicant has met the minimum requirements of this section.

**RECOMMENDATIONS:**

It is my recommendation that this Minor Exploration Letter of Intent is not approved until the applicant addresses the following deficiencies and approved by the Division.

**R645-200-230**, Prior to conducting minor exploration, the Division must receive concurrence from SITLA.

**645-202-244**, The applicant must remove all materials/waterlines once exploration is finished.